



Michigan Department of Environmental Quality  
Environmental Assistance Division

*Effective Date: March 24, 2000*

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## CLEAN CORPORATE CITIZEN PROGRAM

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### R 324.1501 Definitions.

Rule 1501. As used in this part:

(a) “**Applicable environmental requirements**” means article II and chapters 1 and 3 of article III of Act No. 451 of the Public Acts of 1994, as amended, being §§324.3101 to 324.21551, 324.30101 to 324.36507, and 324.60101 to 324.64111 of the Michigan Compiled Laws, and Act No. 399 of the Public Acts of 1976, as amended, being §§325.1001 to 325.1023 of the Michigan Compiled Laws, and Parts 135 and 138 of Act No. 368 of the Public Acts of 1978, as amended, being §§333.13501 to 333.13536 and 333.13801 to 333.13831 of the Michigan Compiled Laws and the administrative rules promulgated under article II and chapters 1 and 3 of article III of Act No. 451 of the Public Acts of 1994, Act No. 399 of the Public Acts of 1976, and Parts 135 and 138 of Act No. 368 of the Public Acts of 1978, as amended, and permits, orders, and other legally binding documents issued under article II and chapters 1 and 3 of article III, Act No. 399 of the Public Acts of 1976, and Parts 135 and 138 of Act No. 368 of the Public Acts of 1978.

(b) “**Clean corporate citizen**” means a person who operates an establishment that has demonstrated environmental stewardship and a strong environmental ethic by voluntarily meeting the criteria set forth in this part and who has been designated a clean corporate citizen by the department.

(c) “**Department**” means the department of environmental quality.

(d) “**Director**” means the director of the department of environmental quality or his or her designee.

(e) “**Environmental management system**” means the part of an overall management system that addresses environmental concerns through the allocation of resources, assignment of responsibilities, and ongoing evaluation of practices, procedures, and processes to achieve sound environmental performance.

(f) “**Environmental media**” means the air, water, or land medium that is impacted, or would have been impacted, by a waste.

(g) “**Establishment**” means any of the following that operates in accordance with or under the jurisdiction of applicable environmental requirements:

- (i) A stationary source.
- (ii) A location.
- (iii) A public institution.
- (iv) A municipal, commercial, industrial, or other business facility.

(h) **“ISO 14001”** means a standard adopted by the international organization for standardization to prescribe uniform requirements for the purpose of certification or registration of an environmental management system.

(i) **“Pollution prevention”** means eliminating or minimizing the initial generation of waste at the source or utilizing environmentally sound on-site and off-site reuse or recycling. Waste treatment, release, or disposal is not considered pollution prevention.

(j) **“Responsible official”** means an individual, as defined in R 336.1118(h)(i) to (iv), who has the authority to sign and certify to, on behalf of an applicant for a clean corporate citizen designation, the truth, accuracy, and completeness of the application.

(k) **“Violation notice”** means any written notice or formal enforcement action by the department in response to a violation of an applicable environmental requirement. Voluntary disclosures made under Part 148 of Act No. 451 of the Public Acts of 1994, as amended, do not constitute a violation notice.

(l) **“Waste”** means any material, energy, or other resource that is not incorporated into product, such as surplus, obsolete, off-specification, contaminated, or unused material, and includes any of the following:

- (i) air emissions
- (ii) water discharges
- (iii) hazardous waste
- (iv) solid waste

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#### **R 324.1502 Purpose.**

Rule 1502. The purpose of this part is to establish the Michigan clean corporate citizen program, including the criteria to be met and the procedures to be followed for a person to be designated a clean corporate citizen and the benefits available to a designated clean corporate citizen. Nothing in this rule authorizes any violation of state or federal law, rule, or regulation.

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#### **R 324.1503 Applicability.**

Rule 1503. (1) This part applies to a person who operates an establishment in Michigan and who voluntarily seeks a clean corporate citizen designation.

(2) This part does not apply to an establishment that:

(a) Has been convicted of a criminal violation of applicable environmental requirements within a 10-year period before filing the initial clean corporate citizen application.

(b) Has been assessed by a court of appropriate jurisdiction a civil fine, penalty, or damages of \$10,000.00 or more for violation of applicable environmental requirements within a 3-year period before filing the initial clean corporate citizen application.

(c) Has been found, by a court of appropriate jurisdiction, to have been responsible for an illegal action that caused substantial endangerment to the public health, safety, or welfare or to the environment within a 10-year period before filing the initial clean corporate citizen application.

(d) Has been assessed by final department action an administrative penalty of \$25,000.00 or more for a violation of applicable environmental requirements that occurred within a 3-year period before filing the initial clean corporate citizen application.

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#### **R 324.1504 Clean corporate citizen criteria.**

Rule 1504. To qualify for and maintain a designation as a clean corporate citizen for a single establishment, a person shall operate the establishment in Michigan and meet the criteria set forth in R 324.1503, R 324.1505, R 324.1506, and R 324.1507 at the establishment.

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#### **R 324.1505 Environmental management system.**

Rule 1505. (1) A clean corporate citizen shall have in place, and operate the clean corporate citizen's establishment in accordance with, an environmental management system which systematically addresses environmental concerns, environmental improvements, and which is integrated into the clean corporate citizen's overall management structure as specified in this rule.

(2) A clean corporate citizen meets the environmental management system requirements by complying with any of the following provisions:

(a) Registration or certification under an environmental management standard, such as ISO 14001, that is approved by the director.

(b) Development and maintenance of a written environmental management system which is appropriate to the nature, scale, and potential environmental impact of the operation and which requires the clean corporate citizen to do all of the following:

(i) Adopt an environmental policy approved by the responsible official or operate under an adopted corporate environmental policy. The environmental policy shall demonstrate a high level of commitment to environmental management through the establishment of guiding principles. The environmental policy shall do all of the following:

- (A) Articulate the clean corporate citizen's mission and values.
- (B) Emphasize continuous improvement.
- (C) Promote pollution prevention.
- (D) Acknowledge the importance of communication with the public.
- (E) Emphasize compliance with relevant environmental laws and regulations.
- (F) Recognize that every individual at the establishment can contribute to environmental improvement.

(ii) Establish and maintain an environmental program and procedures that do both of the following:

(A) Identify the environmental aspects of the clean corporate citizen's activities, products, and services over which the clean corporate citizen can be expected to have an influence to determine the activities, products, or services that have or can have significant impacts on the environment, and ensure that the impacts and opportunities for environmental improvement are considered in setting the clean corporate citizen's environmental objectives.

(B) Develop and implement environmental objectives and targets within each organizational level of the clean corporate citizen.

(iii) Establish a procedure to provide for regular voluntary environmental self-audits and assure that there is an effective mechanism in place to promptly and adequately respond to and address any violations of applicable environmental requirements that are found.

(iv) Identify specific organizational operations and activities that have significant environmental impact or the potential for significant environmental impact, and have procedures in place that do all of the following:

- (A) Monitor the operations and activities.
- (B) Assure that the operations and activities remain within acceptable parameters.
- (C) Include provisions to implement prompt correction if a deviation occurs.
- (D) Systematically review records and report on environmentally related actions relative to the operations and activities.

(v) Establish necessary reporting and recordkeeping that document the environmental status of all operations and activities.

(vi) Establish and maintain procedures to identify and track the environmental training needs of all personnel who have responsibility or authority over activities that have significant environmental impact or the potential for significant environmental impact.

(vii) Establish and maintain procedures to respond to and report, as appropriate, accidents, malfunctions, spills, upsets, and other emergency situations and to mitigate any associated environmental impacts, and provide for a review of the procedures after the occurrence of an accident or emergency.

(viii) Define the authority, responsibility, and methods for auditing and correcting nonconformance with the procedures set forth in the environmental management system.

(ix) Develop and maintain procedures for internal communication of the environmental management system and environmental issues between personnel across functional and organizational levels.

(x) Establish and maintain an effective public communication process and procedures for communicating information on environmental issues and the environmental management system with the public, including the local community and environmental interest groups, that facilitate and encourage public understanding and dialogue on environmental issues.

(c) Adoption and maintenance of an environmental management system, approved by the director, applicable to a specific group or classification of establishments. An environmental management system developed in accordance with this rule shall, at a minimum, include all of the requirements of subrule (2)(B) of this rule.

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## **R 324.1506 Pollution prevention.**

Rule 1506. (1) A clean corporate citizen shall develop and implement an effective pollution prevention program as specified in this rule.

(2) A clean corporate citizen meets the pollution prevention program requirements by complying with both of the following provisions:

(a) Adopting, in the form of a written policy, the clean corporate citizen's philosophy of pollution prevention that promotes all of the following:

- (i) The elimination or reduction of waste at the source of generation.
- (ii) The reuse of waste, including the purchasing of recycled materials.
- (iii) Environmentally sound on-site and off-site recycling.

(b) Establishing and maintaining an establishment-specific pollution prevention program under which the clean corporate citizen shall do all of the following:

- (i) Adopt and post a pollution prevention policy, as required in subdivision (a) of this subrule, that is signed by a responsible official.
- (ii) Conduct periodic pollution prevention assessments that identify opportunities for eliminating waste at the source, reuse, and recycling.
- (iii) Establish pollution prevention goals that specify the environmental media and types of pollution to be prevented or reduced, implementation activities, and projected time frames.
- (iv) Record and maintain reports to demonstrate progress on pollution prevention goal implementation.
- (v) Encourage efforts to exchange pollution prevention technologies, such as any of the following:
  - (A) Attending or sponsoring workshops.
  - (B) Developing case studies.
  - (C) Establishing pollution prevention supplier networks.
  - (D) Providing the department with pollution prevention information for possible publication and dissemination.

(3) A clean corporate citizen may satisfy the provisions of subrule (2)(b) of this rule through formal participation and by being a member in good standing in a recognized department pollution prevention program.

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### **R 324.1507 Environmental compliance.**

Rule 1507. (1) A clean corporate citizen shall comply with the applicable environmental requirements specified in this rule.

(2) To meet the environmental compliance requirement, a clean corporate citizen shall satisfy all of the following requirements:

- (a) Provide to the department, as part of the clean corporate citizen application, a statement signed by a responsible official that he or she has reviewed the clean corporate citizen's compliance record and that, to the best of his or her knowledge, the clean corporate citizen is in compliance with all applicable environmental requirements and has no outstanding unresolved past or current violations that have not been corrected or, in the case of renewal, resolved by the clean corporate citizen's adherence to a binding compliance schedule to abate the violations.
- (b) Have addressed any violation cited in a violation notice by resolving the violation, making a showing to the director that the violation did not occur, or in the case of renewal, being in compliance with a binding schedule, agreed to by the director, to correct any violation specified in a violation notice issued by the director.
- (c) Not have been found by the director to be in significant violation of environmental requirements established by a local unit of government.

(3) If a clean corporate citizen does not meet the requirements of subrule (2) of this rule, then the director may consider an application for clean corporate citizen designation if the application includes a binding and significant reduction in wastes below what would otherwise be required by applicable environmental requirements or includes a significant and permanent retirement of air emission reduction credits in accordance with R 336.2201 to R 336.2218.

(4) In the case of a change of ownership, the director may consider the environmental record of the new owner in determining whether the criteria in this rule are met.

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**R 324.1508 Procedures for application.**

Rule 1508. (1) A person operating an establishment in Michigan may apply for a clean corporate citizen designation. An applicant for a clean corporate citizen designation shall follow the procedures set forth in this rule.

(2) Before submitting an application to the department, the applicant shall provide for a public review of the application and related documentation for a period of not less than 30 days. Public review shall, at a minimum, include posting a notice in a local newspaper of the applicant's intent to file the clean corporate citizen application and of the availability of the application and related documentation for public review. The application and related documentation shall be made available at a local public library or other public building for not less than 30 days. The public notice shall allow for comments to be made to the applicant or the department. The documentation provided for public review shall include all of the following information:

(a) A detailed summary for each element of the environmental management system that demonstrates achievement of the criteria set forth in R 324.1505.

(b) A copy of the applicant's pollution prevention policy and supporting information that demonstrates achievement of the pollution prevention criteria set forth in R 324.1506.

(c) A copy of the signed statement of compliance as set forth in R 324.1507(2)(a).

(3) The applicant shall notify the department of its intention to submit an application for clean corporate citizen designation not less than 30 days before the end of the public review period.

(4) After the 30-day public review period, an applicant shall submit the application for a clean corporate citizen designation to the department, on a form provided by the department, together with the supporting documentation that meets the requirements of this rule.

(5) The application and supporting documentation shall include all of the following:

(a) A checklist of the documentation that has been assembled and made available for public review.

(b) A signed statement by the responsible official that the applicant meets the criteria set forth in R 324.1503, R 324.1504, R 324.1505, R 324.1506, and R 324.1507.

(c) A detailed summary for each element of the environmental management system and demonstration of achievement of the environmental management system requirements set forth in R 324.1505 and the environmental policy as required in R 324.1505(2)(b)(i).

(d) The pollution prevention policy and supporting information to demonstrate achievement of the pollution prevention requirements under R 324.1506.

(e) A combined list of the significant goals, objectives, and targets that are set in the environmental management system and the pollution prevention program.

(f) The certification of compliance as required by R 324.1507(2)(a).

(g) A summary of public comment received by the applicant and the department during the public review period and the applicant's response to the public comments received.

(6) The department shall complete its initial review of the clean corporate citizen's application within 14 days of receipt of the application.

(7) The department shall publish, in the department calendar, a notice of receipt of the application and related documentation and of the availability of the application and related documentation for public review and comment not less than 30 days before the department makes a decision on the application.

(8) Within 60 days of receipt of a complete application, unless an extension of time is requested by the applicant, the department will consider public comments, determine whether the criteria of these rules have been met, and notify the applicant, in writing, of the clean corporate citizen designation approval or disapproval.

(9) There is no formal appeal of the director's designation decision.

(10) A person operating an establishment in Michigan may reapply for clean corporate citizen designation at any time.

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**R 324.1509. Procedures for retaining or terminating clean corporate citizen designation.**

Rule 1509. (1) To retain a clean corporate citizen designation, a clean corporate citizen shall annually, at least 30 days before the anniversary date of the current clean



corporate citizen designation, submit a renewal request, supporting information, and a certification that the clean corporate citizen is currently achieving the criteria set forth in R 324.1505, R 324.1506, and R 324.1507.

(2) The supporting information specified in subrule (1) of this rule shall include an annual report summarizing the activities undertaken to do all of the following and describing the status of the activities:

(a) Maintain and implement the environmental management system consistent with R 324.1505.

(b) Identify and implement pollution prevention activities consistent with R 324.1506.

(c) Set, revise, and implement goals, objectives, and targets, and the strategy the clean corporate citizen is employing to resolve any unmet goals, objectives, and targets in its environmental management system and pollution prevention program.

(3) A renewal request shall include a statement by the responsible official that the clean corporate citizen is in compliance with all applicable environmental requirements and has no outstanding unresolved violations, or is in compliance with a binding schedule to correct any outstanding violations.

(4) The director shall terminate the clean corporate citizen designation if the director determines that any of the following provisions apply to the clean corporate citizen:

(a) The clean corporate citizen failed to maintain and implement an environmental management system as required under R 324.1505.

(b) The clean corporate citizen failed to maintain and implement a pollution prevention policy and program consistent with the provisions of R 324.1506.

(c) The clean corporate citizen failed to meet the environmental compliance criteria of R 324.1507.

(d) After the effective date of the current designation the clean corporate citizen:

(i) Has been convicted of a criminal violation of applicable environmental requirements.

(ii) Has been assessed by a court of appropriate jurisdiction a civil fine, penalty, or damages of \$10,000.00 or more for violation of applicable environmental requirements.

(iii) Has been found by a court of appropriate jurisdiction to have been responsible for an illegal action that caused substantial endangerment to the public health, safety, or welfare or to the environment.

(iv) Was found by the director to have failed to promptly and adequately correct and resolve a serious violation of applicable environmental requirements.

(5) The director shall advise a facility of his or her intent to terminate the clean corporate citizen designation not less than 30 days before terminating the designation.

(6) There is no formal appeal of the director's termination decision.

(7) A person operating an establishment in Michigan may reapply for clean corporate citizen designation at any time.

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**R 324.1510 Clean corporate citizen benefits.**

Rule 1510. A designated clean corporate citizen qualifies for clean corporate citizen benefits set forth in rules promulgated under Act No. 399 of the Public Acts of 1976, as amended, being §§325.1001 to 325.1023 of the Michigan Compiled Laws, Act No. 368 of the Public Acts of 1978, as amended, being §§333.13501 to 333.13536 and 333.13801 to 333.13831 of the Michigan Compiled Laws, and Act No. 451 of the Public Acts of 1994, as amended, being §324.101 et seq. of the Michigan Compiled Laws.

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**R 324.1511 Impact on benefits from termination of clean corporate citizen designation.**

Rule 1511. Upon termination of a clean corporate citizen designation, all benefits provided to a former clean corporate citizen under R 324.1510 shall be terminated or restricted as provided in this part and as determined by the director.